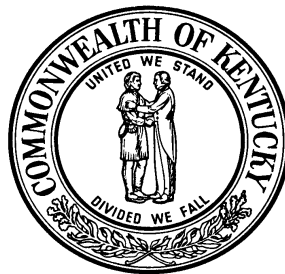


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
FORMER MEADE COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
December 1, 2007 Through November 30, 2008**



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Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Mark J. Straney
Former Meade County Property Valuation Administrator
Brandenburg, Kentucky 40108

We have performed the procedures enumerated below, which were agreed to by the former Meade County Property Valuation Administrator (PVA), solely to assist with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period December 1, 2007 through November 30, 2008. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the former Meade County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (November 30, 2008), for all bank accounts, to determine if amounts are accurate.

Finding -

PVA maintains receipts and disbursements ledgers, and reconciles bank records to books each month. The November 30, 2008 bank reconciliation was re-performed and was accurate.

2. Procedure -

Confirm any and all payments by cities to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

No cities were billed and no payments were collected.



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Former Meade County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Fiscal court payments to the PVA were confirmed. The budgeted statutory contribution by fiscal court agreed with the amount calculated by the Department of Revenue. Payments were traced to PVA's local bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Auditor agreed selected disbursements to cancelled checks, invoices, and supporting documentation. Expenditures were determined to be for official business. There were no credit card transactions for official business.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA Capital Asset Inventory List.

Finding -

Capital outlay disbursements agreed to cancelled checks and supporting documentation. Proper purchasing procedures appear to have been followed and assets purchased were added to the PVA capital asset inventory list.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

PVA maintains a professional service contract that was properly authorized, appropriate, and for business purposes. Payments were agreed to the contract and were traced to the disbursements ledger and cancelled checks.

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7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

Auditor compared budget to actual expenditures and determined PVA did not overspend in any account series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Collateral was not necessary for PVA funds. FDIC insurance was adequate and no collateral agreement was necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Auditor determined timesheets are completed, maintained, and support hours worked.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Cash balances were properly transferred from the former PVA to the interim PVA.

11. Procedure -

For newly hired employees, during December 1, 2007 through November 30, 2008, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

There were no newly hired employees during the period December 1, 2007 through November 30, 2008.

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Former Meade County Property Valuation Administrator
(Continued)

12. Procedure -

Determine if the PVA office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The PVA office was closed for three days other than the state's approved holidays. Proper procedures and forms were completed.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

December 4, 2008